



Order Filed on January 18, 2023
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U.S. Bankruptcy Court
District of New Jersey

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

Caption in Compliance with D.N.J. LBR 9004-1(b)

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Proposed Attorneys for Debtors and Debtors in Possession

In re:

BLOCKFI INC., *et al.*,

Debtors.¹

Chapter 11

Case No. 22-19361 (MBK)

Jointly Administered

Hearing Date and Time: January 17, 2023 at 10:00

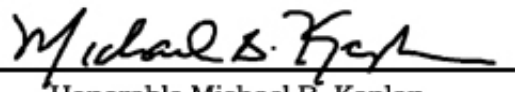
AM ET

AMENDED

**FINAL ORDER GRANTING DEBTORS' EMERGENCY MOTION FOR
ENTRY OF INTERIM AND FINAL ORDERS PURSUANT TO 11 U.S.C.**

**§§ 105(A) AND 363(C) AUTHORIZING THE DEBTORS TO (I)
CONTINUE, RENEW, OR SUPPLEMENT INSURANCE POLICIES,
(II) PAY INSURANCE PREMIUMS THEREON, (III) CONTINUE,**

DATED: January 18, 2023


Honorable Michael B. Kaplan
United States Bankruptcy Judge

**RENEW, OR SUPPLEMENT THE SURETY BOND PROGRAM, AND
(IV) GRANTING RELATED RELIEF**

The relief set forth on the following pages, numbered three (3) through seven (7) is
ORDERED.

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Debtors: BlockFi Inc.

Case No. 22-19361 (MBK)

Caption of Order: FINAL ORDER GRANTING DEBTORS' MOTION FOR ENTRY OF INTERIM AND FINAL ORDERS PURSUANT TO 11 U.S.C. §§ 105(A) AND 363(C) AUTHORIZING THE DEBTORS TO (I) CONTINUE, RENEW, OR SUPPLEMENT INSURANCE POLICIES, (II) PAY INSURANCE PREMIUMS AND RELATED OBLIGATIONS THEREON, (III) CONTINUE, RENEW, OR SUPPLEMENT THE SURETY BOND PROGRAM, AND (IV) GRANTING RELATED RELIEF

Upon the *Debtors' Motion for Entry of an Order Pursuant to 11 U.S.C. §§ 105(a) and 363(c) Authorizing the Debtors to (I) Continue, Renew, or Supplement Insurance Policies, (II) Pay Insurance Premiums Thereon, (III) Continue, Renew, or Supplement The Surety Bond Program, and (IV) Granting Related Relief* (the "Motion")¹ and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. § 157 and Standing Order 12-1 (Simandle, C.J.), *Standing Order of Reference to the Bankruptcy Court Under Title 11*, dated September 18, 2012; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and it appearing that venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided; and it appearing that no other or further notice need be provided; and the Court having reviewed the Motion; and the Court having held a hearing (the "Hearing") on the Motion; and all objections, if any, to the Motion having been withdrawn, resolved, or overruled; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and upon the *Declaration of Mark Renzi in Support of the Debtors' Chapter 11 Petitions and First Day Motions* filed contemporaneously with the Motion, the record of the Hearing, and all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

¹ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

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Debtors: BlockFi Inc.

Case No. 22-19361 (MBK)

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1. The Motion is **GRANTED** on a final basis as set forth herein.
2. The Debtors are authorized, but not directed, to, in the exercise of reasonable business judgment, (i) continue to maintain all Insurance Policies² (each an "Insurance Policy," and, collectively, the "Insurance Policies"), (ii) pay prepetition amounts due and owing related to the Insurance Policies, to the extent any amounts are due and payable, (iii) continue, revise, extend, renew, supplement, or change the Insurance Policies, or enter into new policies, if necessary, in the ordinary course of business, and (iv) continue to pay premiums for the Insurance Policies in the ordinary course of business to the extent they may become due and payable on a post-petition basis.
3. The Debtors are authorized, but not directed, to, in the exercise of reasonable business judgment, (i) continue to maintain and perform under their Surety Bond Program (the "Surety Bond Program"), (ii) pay prepetition amounts due under the Surety Bond Program, (iii) review, extend, renew, supplement, or change the Surety Bonds under the Surety Bond Program, if necessary, in the ordinary course of business consistent with the Debtors' past practice, and (iv) continue to pay premiums for the surety bonds (the "Surety Bonds") in the ordinary course of business to the extent they may become due and payable on a post-petition basis.

² For the avoidance of doubt, the term Insurance Policies shall include all insurance policies for any line of coverage issued or providing coverage at any time to the Debtors, whether expired, current or prospective, and any agreements related thereto, whether or not listed on Exhibit C of the Motion.

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Debtors: BlockFi Inc.

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4. The Debtors' banks and other financial institutions shall be and hereby are authorized and directed to receive, process, honor and pay all prepetition and post-petition checks, credit card payments, and fund transfers on account of the prepetition insurance obligations, provided that sufficient funds are on deposit in the applicable accounts to cover such payments. In doing so, the Debtors' banks and other financial institutions are authorized and directed to rely on the representations of the Debtors as to which checks, credit card payments, and fund transfers are issued or authorized to be paid pursuant to this Final Order.

5. Nothing in this Final Order or the Motion (a) alters, amends, or modifies the terms and conditions of the Insurance Policies; (b) relieves the Debtors or any third-party insurance provider (collectively, the "Insurance Providers") of any of their obligations under the Insurance Policies; (c) creates or permits a direct right of action by third-party claimants against the Insurance Providers or third-party administrators; or (d) precludes or limits, in any way, the rights of any Insurance Provider to contest and/or litigate the existence, primacy and/or scope of available coverage under the Insurance Policies.

6. The Official Committee of Unsecured Creditors shall have consent rights for (a) any insurance payment on a prepetition amount over \$50,000.00 and (b) any renewal, modification, supplement, or change of an Insurance Policy/Surety Bond that results in an annual premium of \$50,000.00 or above.

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7. Neither the provisions contained herein, nor any actions or payments made by the Debtors pursuant to this Final Order, shall be construed as: (a) an admission as to the validity of any claim against the Debtors; (b) a waiver of the Debtors' rights to dispute any claim on any grounds; (c) a promise to pay any claim; (d) an assumption or rejection of any executory contract or unexpired lease pursuant to Bankruptcy Code § 365; or (e) otherwise affecting the Debtors' rights under Bankruptcy Code § 365 to assume or reject any executory contract with any party subject to this Order.

8. The relief granted herein is limited solely to Surety Bonds constituting lending bonds issued by a surety in favor of the Debtors, and nothing in this Final Order applies to any money transmitter bonds issued by any surety in favor of the Debtors.

9. Notwithstanding anything to the contrary in the Motion, this Final Order, or any findings announced at the hearing, nothing in the Motion, this Final Order, or announced at the hearing constitutes a finding under the federal securities laws as to whether crypto tokens or transactions involving crypto tokens are securities, and the right of the United States Securities and Exchange Commission to challenge transactions involving crypto tokens on any basis are expressly reserved.

10. The Debtors are authorized to take all actions necessary to effect the relief granted pursuant to this Final Order in accordance with the Motion.

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11. Notwithstanding Bankruptcy Rule 6004(h), to the extent applicable, this Final Order shall be effective and enforceable immediately upon entry.

12. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a) and the Local Rules are satisfied by such notice.

13. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Final Order.